RESULTS

Atlas Van Lines' 17th Annual Survey of Corporate Moving Practices

Atlas® Van Lines

According To The 17th Annual Survey. . .

The Outlook for 1984 is Positive: Employee Relocations are Increasing

If corporate relocation activity is any indication of the mood of business, the trend appears to be toward optimism. Positive shifts in the frequency of transfers, the number of employees transferred, and anticipated relocation activity in 1984 suggest economic factors that have enabled corporations to increase employee transfers.

Comparing the **Results of the 17th Annual Survey of Corporate Moving Practices** with last year's, employees may be moving more frequently. For Question 12, which indicated the frequency with which an average salaried employee of the respondent's company could reasonably expect to move, percentages for "every third year" increased from 11 to 15 percent, and for "every fourth year," from 5 to 8 percent. "Less frequent" was the most popular selection again; however, the percentage this year dropped to 67 percent from 72 percent last year.

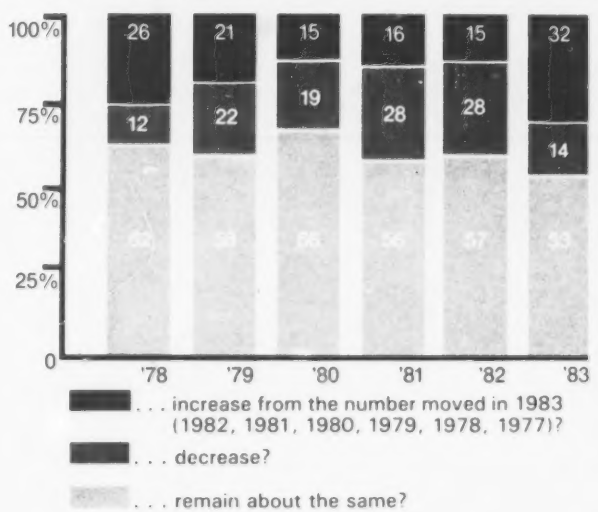
And for a larger percentage of corporations, the number of employees transferred in 1983 increased when compared to the number in 1982. Thirty-nine percent in the **17th Survey** said the number "increased greatly over 1982" (11 percent) or "increased moderately over 1982" (28 percent), and 26 percent said the number decreased. In the **16th Survey**, however, a larger percentage replied that the number decreased, (40 percent), and only 29 percent said it increased.

The state of the economy, once again, was the major external factor or condition affecting employee relocation. However, the 54 percent recorded by this **Survey** was 24 percent below last year's percentage. Part of the reason for this variance, notwithstanding improvement in the economy, was the addition this year of two new choices: "growth of industry" and "lack of qualified people locally" (write-in responses to "other" last year), which were selected on 25 percent and 16 percent, respectively, of the returns.

"Corporate reorganization" (29 percent), "expansion into new territories"(23 percent), "closing facilities" (22 percent), and "budget restraints" (19 percent) were the most frequently marked internal factors affecting transfers.

Finally, a significant percentage (32 percent) of the corporations responding to this Atlas **Survey** anticipates moving more employees in 1984 than were moved in 1983. Last year only 15 percent indicated the number would increase. The graph below clearly shows the positive change from previous years: instead of 84 or 85 percent of the corporations responding that the number would "decrease" or "remain about the same," the percentage in this **Survey** dropped to 67 percent.

Do you anticipate that the number of employees your company will move during 1984 (1983, 1982, 1981, 1980, 1979) will . . .



Some Improvement In Employee Benefits

While most employee relocation benefits appear to be unchanged, some may be improving. One is house-hunting trips, both accompanied and unaccompanied. This year, as has been the trend since 1978, the percentage of companies allowing only one trip has declined, while the percentage allowing two increased.

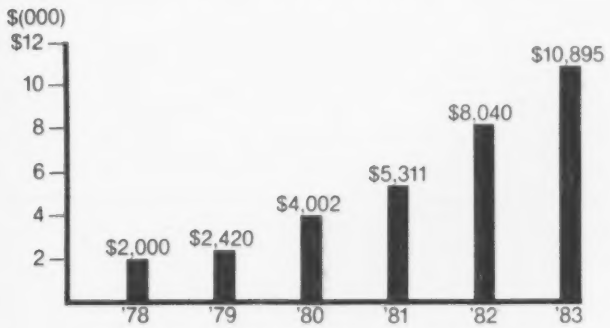
Results of Atlas Van Lines, Inc., 17th Annual Survey of Corporate Moving Practices

Two exceptions, however, become apparent when Questions 22 and 23 are compared with the geographic scope of respondents and their annual sales. International corporations and those with annual sales of less than $49 million were more inclined to allow only one trip for accompanied and unaccompanied employees.

Although a slight change, this **Survey** and recent, past ones suggest that more and more companies are assisting a transferring employee by paying all of the fees connected with the sale of the house, guaranteeing the sale of the former residence or actually purchasing it, paying the penalty for terminating a lease, and assisting with a swing loan.

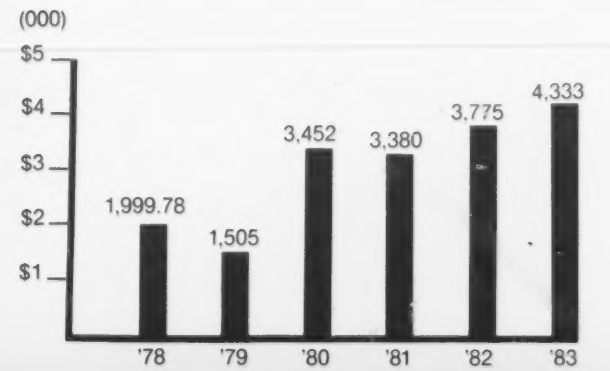
And because employee benefits have been improving for several years and continue to improve, the average cost for "moving extras" has also increased. Since 1978, the average cost has risen from $2,000 to this year's $10,895, a 445 percent increase.

Cost for "moving extras."



The average cost "for direct van line services of packing and transportation" also increased between 1978 and 1983, but only by 117 percent, from $1,999.78 to $4,332.93.

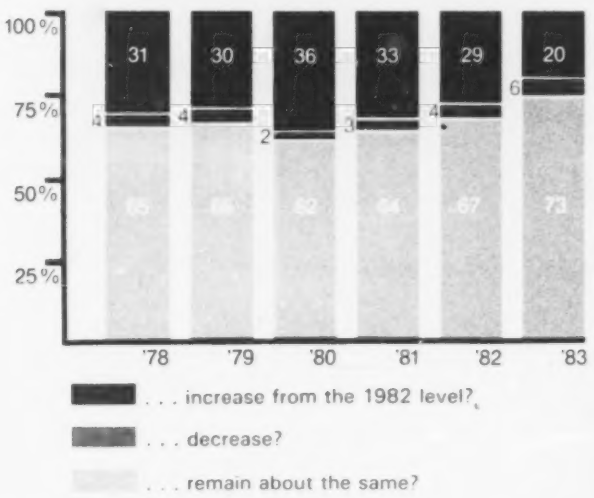
Average cost of "direct van line services of packing and transportation only."



More and More Employees Accepting Transfers

A larger percentage (79 percent) of the corporations represented in this year's **Survey** said the number of employees who declined a transfer remained about the same or decreased, compared to 1982. And fewer corporations (20 percent, 1983 compared to 1982; 29 percent, 1982 compared to 1981) said the number increased.

Did the number of employees declining relocation . . .



According to past **Surveys**, the trend since 1980 is that fewer employees are turning down a transfer. The percentage of corporations reporting that refusals to relocate increased over the previous year reached a high of 36 percent in 1980, dropping each year since that time--33 percent in 1981, 29 percent in 1982, and only 20 percent in 1983.

The reasons for refusing a transfer, though, are still much the same. Strong family ties (48 percent), housing/mortgage concerns (44 percent), and cost of living in the new location (43 percent) were most frequently marked responses. Spouse employment, which was a frequent write-in last year and added to this year's **Survey** questionnaire, was a strong fourth, with 38 percent selecting it as a reason for declining a transfer.

And, Finally, Deregulation and Relocation Services

"Volume discounts" were again considered the "most beneficial" product of 1980's reregulation of the transportation industry, selected by 64 percent this year and 62 percent in the **16th Survey.**

However, some categories had mixed reactions to "volume discounts." Comparing those returns that marked "volume discounts" with their geographic scope (regional, national, international), their company classification, and their annual sales, nearly as many regional corporations, financial institutions, and corporations with annual sales between $10 million and $49 million selected "volume discounts" as beneficial to their corporation as didn't.

Finally, firms that used the services of a relocation company paid more for "moving extras." When the average cost of "moving extras" for companies that did not use a relocation service was compared with the 44 percent that did use a "relocation service," the median (or middle amount) was $9,500. The median, on the other hand, for those companies that "do not use such services" was $4,000.

There was no difference in the average cost of direct van line services of packing and transportation, though, between users and non-users of relocation services. The median for both was $3,500.

Profile of the Corporate Executive

Nearly two thirds (64 percent) of the returns this year were from individuals in personnel or human resources departments. And 50.4 percent of those people had responsibility for up to 100 moves.

The "traffic/transportation" category accounted for only 23 percent of the returns. Since 1978, responsibility for employee relocations has increasingly moved from traffic to personnel or human resources. Almost half of the returns (48 percent) were from traffic that year, and only 20 percent were from personnel.

Profile of Businesses Represented

The **17th Survey Results** reflect information provided by corporations that are primarily manufacturers (55 percent), have a geographic scope that is either national or international (81 percent), are publicly owned (67 percent), and had annual sales in 1983 of more than $100 million (85 percent).

The 1984 Survey of Corporate Moving Practices

The **17th Annual Survey of Corporate Moving Practices** was mailed in late January to 4,640 United States corporations, including the "Fortune 1,000." Completed questionnaires were received from 677 corporate executives (14.6 percent of the total mailing). Statistical experts who analyzed the results consider that percentage an unusually strong response level.

Atlas Van Lines, Inc. is the nation's sixth largest household goods carrier with more than 725 Atlas agents throughout the continental United States, Alaska, Hawaii, Canada, and 130 countries around the world. Atlas Van Lines reported consolidated revenues in excess of $172 million in 1983.

ATLAS VAN LINES, INC.

17th ANNUAL SURVEY
OF
CORPORATE MOVING PRACTICES

CONDUCTED IN 1984, REFLECTING 1983 FIGURES.

1. In which of the following categories is your job title?

64% - Personnel/Human Resources
19% - Traffic/Transportation
8% - Administration
3% - Purchasing
1% - Industrial Relations
1% - Special Services
5% - Others included: Real Estate, Financial, President, Personnel/Compensation & Benefits, Legal, Marketing.

2. How long have you been involved with employee relocation?

22% - Less than 2 years
31% - 2 - 5 years
23% - 5 - 10 years
13% - 10 - 15 years
5% - 15 - 20 years
6% - More than 20 years

3. Approximately how many employee relocations was your department responsible for in 1983?

42% - Fewer than 20
21% - 20 - 49
12% - 50 - 99
12% - 100 - 199
6% - 200 - 299
8% - More than 300

4. Are you . . .

65% - Male?
35% - Female?

5. Which of the following classifications most accurately describes your company?

55% - Manufacturing
33% - Service (includes gov't. education, hospitals, etc.)
12% - Financial

6. Would your company be classified as . . .

20% - Regional?
38% - National?
43% - International?

7. Is your company . . .

32% - Privately owned?
67% - Publicly owned?

Totals not equal to 100% due to rounding or because more than one response marked.

8. **Your company's approximate annual sales for 1983 were . . .**

2% - Less than $10 million
7% - $10 - $49 million
11% - $50 - $99 million
38% - $100 - $499 million
42% - More than $500 million

9. **How many salaried (i.e., non-hourly) people are employed by your firm?**

3% - Less than 100
41% - 100 - 999
22% - 1000 - 2,499
14% - 2,500 - 4,999
20% - More than 5,000

10. **What percent of these salaried employees did your company move during 1983?**

76% - Less than 5%
16% - 5% - 10%
3% - 11% - 15%
3% - 16% - 20%
2% - Over 20%

11. **Which ONE of the following categories most accurately describes the frequency with which an average salaried employee of your company can reasonably expect to be moved?**

4% - Every other year or more often
15% - Every third year
8% - Every fourth year
6% - Every fifth year
67% - Less frequent

12. **How many of your transferred employees are women?**

18% - None
60% - Less than 5%
13% - 5% - 10%
9% - More than 10%

13. **Do you anticipate that the number of employees your company will move during 1984 will . . .**

32% - Increase from the number moved in 1983?
14% - Decrease?
53% - Remain about the same?

14. **Comparing the number of employee transfers in 1983 with 1982, the 1983 number . . .**

11% - Increased greatly over 1982.
28% - Increased moderately over 1982.
7% - Decreased greatly over 1982.
19% - Decreased moderately over 1982.
35% - Remained about the same.

15. **If the number of employee transfers changed from 1982 to 1983, what external condition had the most significant impact on transfers?**

54% - Economic conditions
1% - Energy
1% - Political conditions
25% - Growth of industry
16% - Lack of qualified people locally
10% - Others including: Reorganization, plant closings/openings

16. What internal company conditions affected the change in the number of employee transfers?

9% - Increased production
12% - Decreased production
9% - Expanded present facility
22% - Closed one or more facilities
23% - Expansion into new territories
19% - Budget constraints
13% - Acquisitions, mergers
29% - Corporate reorganization
9% - Others including: Relocations, Promotions/Resignations

17. How has your corporate moving policy changed in the last two years?

34% - Increased assistance with housing problems.
11% - Improved insurance programs.
36% - Exceptions to the policy are made if individual circumstances require.
16% - Expanded benefits other than housing assistance.
42% - Has not changed.
4% - Decrease in benefits.

18. How is information about your company's policy covering employee transfers made known to the employee?

20% - The employee is provided a handbook or brochure describing all procedures and conditions in detail.
39% - Employees are provided printed materials describing company polices, but this information is also explained by authorized personnel within the organization.
13% - Pre-move counseling service is provided within the company.
19% - There is no set policy; each case is handled individually and explained on a one-to-one basis.
8% - Professional counseling services are provided by a relocation firm.

19. Does your company allow . . .

87% - Full reimbursement of moving expenses?
13% - A partial reimbursement based on salary level, position or tenure?
1% - No reimbursement of moving expenses?

20. Besides packing and transportation of household goods, does your company allow the employee. . .

YES

84% - to move an automobile at company expense?
52% - to move a second automobile at company expense?
28% - to move a boat at company expense?
47% - to have belongings picked up from a second residence (summer home, relative's home, etc.)?
7% - to hire temporary maid service at either the old or the new home?
76% - unlimited weight?
19% - permanent storage of some possessions?
58% - to move collections of highly valuable objects such as statuary, paintings, or similar items?
47% - to move pets?
77% - to move recreation and lawn equipment?

21. How many expense-paid trips does your company allow an employee to find housing in the new city?

3% - None
33% - One
53% - Two
6% - Three
5% - More than three

22. How many expense-paid, house-hunting trips does your company allow the spouse to accompany the employee?

3% - None
41% - One
47% - Two
5% - Three
3% - More than three

Totals not equal to 100% due to rounding or because more than one response marked.

23. In regard to the buying or selling of an employee's home, does your company or authorized representative. . .

YES

17% - pay none of the selling costs?
11% - pay real estate commissions only?
66% - pay all fees connected with the sale of the house? (i.e. escrow, lawyer, title, land surveys, etc.)
35% - guarantee a sale price of the employee's former residence?
42% - actually purchase the employee's former residence?
77% - pay the penalty for terminating a lease?
2% - assist in the sale of a vacation home?
15% - offer no assistance in destination city?
37% - assist with arrangements for a mortgage?
50% - assist with a swing loan?
37% - pay a cash bonus?
60% - offer a mortgage interest differential?
22% - offer a cost of living differential?

24. Does your company's moving policy allow more benefits for new hires or for transferees?

3% - New hires
66% - Transferees
33% - No difference

25. What was the average cost *per domestic move* your company paid during 1983 for such "moving extras" as relocation firms, motel accomodations, family transportation, meals, maid service, pre-move house-hunting trips, appliance servicing and similar items? Exclude any salary increases, the cost of van line services, housing compensation, and financial assistance to employees in disposing of former residences.

AVERAGE COST $10,895.31

26. What was the average cost *per domestic move* your company paid during 1983 on direct van line services of packing and transportation only? Exclude "moving extras," as described in question 26.

AVERAGE COST $ 4,332.93

27. Moving costs are what percentage of your firm's total cost of relocating an employee?

42% - Less than 20%
22% - 21% - 30%
13% - 31% - 40%
7% - 41% - 50%
16% - Over 50%

28. Has that percentage increased or decreased in the past five years?

28% - Increased
18% - Decreased
54% - Stayed about the same

29. How frequently has an employee's relocation been affected by the employment status of a spouse?

2% - Almost always
21% - Frequently
66% - Seldom
12% - Never

30. If a spouse is employed full-time with another firm, have relocation complications . . .

40% - Increased in recent years?
1% - Decreased?
59% - Remained about the same?

31. How does your company assist an employee's spouse in finding employment in the new location?

85% - No assistance
4% - Pay job-finder's fee
4% - Find employment within company
7% - Find employment outside company
0% - Pay spouse full or partial salary until hired

32. Did any of your employees decline the opportunity to relocate during 1983?

73% - Yes
27% - No

33. If you answered YES to question 33, how many employees who were offered transfers declined the opportunity to relocate?

59% - Less than 2%
19% - 2% - 4%
10% - 5% - 7%
7% - 8% - 10%
5% - Over 10%

34. If you answered YES to question 33, did the number of employees declining relocation . . .

20% - Increase from the 1982 level?
6% - Decrease?
73% - Remain about the same?

35. What reasons were given for declining relocation?

43% - Cost of living in new location
27% - Did not like new location for reasons other than cost of living
Did not wish to leave present location because of:
48% - family ties in the area
16% - other
44% - Housing/mortgage concerns
38% - Spouse employment
5% - Others including: No desire to move, weather.

36. Does declining the opportunity to relocate usually hinder the employee's career?

36% - Yes
64% - No

37. If the greatest number of your moves occurred during the summer months, what in your opinion was the principal reason?

48% - The traditional school year.
7% - Other
45% - Greatest number of moves did not occur during summer months.

38. Which of the following programs or services have been most beneficial to your company since the Household Goods Transportation Act of 1980?

26% - Guaranteed price
23% - Replacement value protection
64% - Volume discounts
19% - Contracts
22% - Guaranteed pickup and delivery

39. Does your company have contractual agreements with . . .

18% - One carrier?
28% - More than one carrier?
54% - Company does not have contractual agreement with a carrier.

Totals not equal to 100% due to rounding or because more than one response marked.

40. If your company entered into a contract carriage agreement, what was the primary reason?

67% - Cost
48% - Service
26% - Reliability

41. What has been your company's experience with such an arrangement?

45% - Excellent
50% - Good
5% - Fair

42. Does your company ever utilize the services of a relocation service or a brokerage firm?

44% - Relocation service
7% - Brokerage firm
50% - Do not use such services

43. If you used a relocation service or a brokerage firm, for which services were they used in 1983?

19% - Counseling on logistics and planning of moving
12% - Counseling on company corporate policy
89% - Real--estate sale and purchase of home
29% - Orientation tours in new city
3% - Provide accessorial services (appliances, cleaning, etc.)
5% - Arrange family's transportation and accommodations
12% - Contact household moving company
10% - Audit and/or pay invoice
8% - Monitor shipment
8% - Assist with employee's claims preparation and submission

44. In what order do you rank the following guidelines for carrier *evaluation*? (#1 = most important, etc.)

#1. 80% - Service (dependability, flexibility)
#2. 52% - Employee feedback
#3. 68% - Claims

45. In what order do you rank the following criteria for carrier *selection*? (#1 = most important, etc.)

#1. 85% - Service (past performance of carrier agent)
#2. 57% - Price
#3. 70% - Claims

On behalf of Atlas Van Lines and the entire household goods moving industry, we wish to thank the corporate executives who took the time and effort necessary to complete this questionnaire. Their participation in helping us develop this unique and valuable guideline will contribute greatly to the continued improvement in the household goods moving industry.

Permission is hereby granted to reproduce findings and data in whole or part, with credit to Atlas Van Lines, Inc.

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